

First Trust Capital Strength® Barclays 5% Index

The First Trust Capital Strength® Barclays 5% Index is one option you can select as a benchmark for crediting interest to the account value of your Delaware Life fixed index annuity (FIA).¹

The First Trust Capital Strength® Barclays 5% Index (the “Index”) aims to provide stable returns with a diversified portfolio that provides exposure to U.S. equities and Treasuries and targets a 5% volatility.

The Index

- Creates a diversified portfolio by combining U.S. stocks selected based on capital strength methodology with a portfolio of four Barclays U.S. Treasury futures indexes.
- Seeks to enhance return and manage risk exposure by adjusting the portfolio’s asset allocation on a monthly basis using techniques from modern portfolio theory.
- Aims to maintain its annual volatility² level at or below 5%, using a procedure called volatility control, to further control risk.

The First Trust Capital Strength® Barclays 5% Index could be a suitable option if you are seeking:

- Exposure to U.S. equities and Treasuries
- Volatility control

Your FIA can earn interest credits based on how the Index performs

- Your Delaware Life FIA is not directly invested in financial markets, and it does not own shares in any index, index fund, or equity or bond investment. Instead, it earns interest credits based on the performance of the index(es) you select.³
- It’s important to remember that a FIA index is not an investment that you can purchase. It tracks the actual index but is not invested directly in the index.
- So while you cannot actually invest in an index, you can use it as a benchmark—or point of reference—to track the performance of the market it represents and compare that to the returns of similar securities or groups of securities.

¹ Index annuities issued by Delaware Life Insurance Company.

² Volatility is a measure of the degree to which the price of an asset fluctuates. It is widely used as an indicator of investment risk.

³ Index strategies used in Delaware Life FIAs are subject to factors such as caps, spreads, and participation rates, which will reduce crediting rates relative to the underlying index performance. See the applicable disclosure statement for more information.

The Equity component

The Equity component of the Index utilizes the Capital Strength selection methodology, which began in March 2013. It aims to provide exposure to a portfolio of stocks of well-capitalized U.S. companies with strong market positions that may provide stockholders with greater degrees of stability and performance over time.

Index equity component methodology

First Trust's proprietary Capital Strength methodology selects 50 large-cap U.S. stocks through criteria such as low volatility, high liquidity reserves, and low financial leverage.

The Capital Strength methodology begins with the stocks in the NASDAQ U.S. Benchmark Index and the largest companies with a minimum 3-month average dollar trading volume are selected.

The companies are then screened further for minimum cash or short-term investments and maximum long-term debt-to-market cap ratios, to attempt to identify companies with strong balance sheets, financial flexibility, lower cost of capital, and cash to meet liquidity needs.

The filter sets a minimum return on equity of 15% to favor better and more efficient allocators of capital.

Lastly, the index applies equal weights to the 50 stocks with the lowest volatility while capping exposure at 30% for each industry.

Step 1	Begin with the NASDAQ U.S. Benchmark Index	Step 5	Return on equity greater than 15%
Step 2	Largest 500 companies with a minimum three-month average trading volume of \$5 million	Step 6	Top 50 companies with the lowest combined short and long-term volatility are selected
Step 3	At least \$1 billion in cash or short-term investments	Step 7	Maximum weight of 30% in any one industry
Step 4	Long-term debt-to-market cap ratio less than 30%	Step 8	The Capital Strength Excess Return Index SM

This information is presented for illustrative purposes only and is not a recommendation to invest in any specific security. Data presented may not be current and is subject to change.

Additional information on the Capital Strength selection methodology

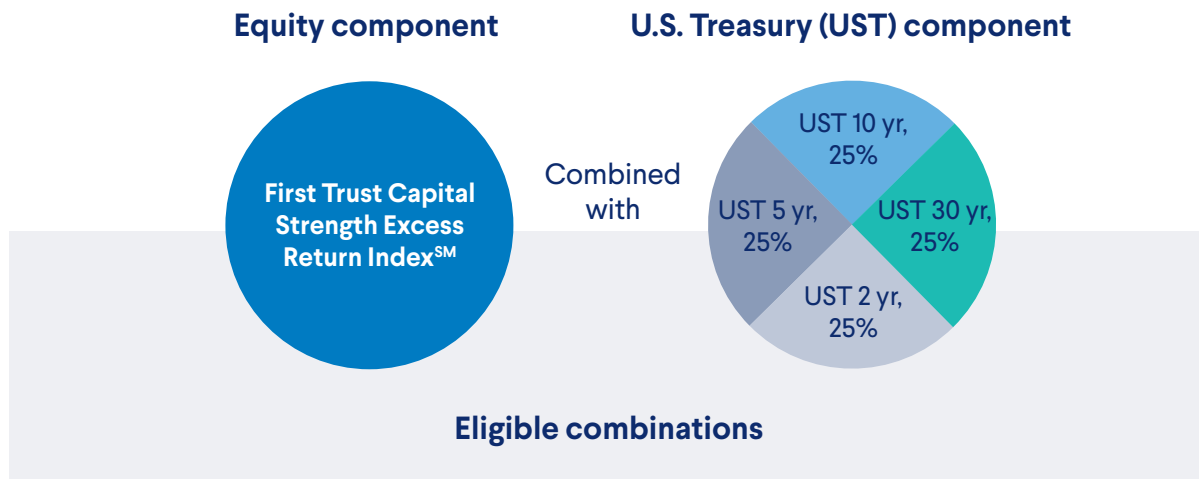
The Equity component holds 50 stocks and reconstitutes on a quarterly schedule and seeks to assign equal weight to the selected companies while limiting the exposure to any given industry sector for diversification purposes. Dividends are reinvested.

The Treasury component

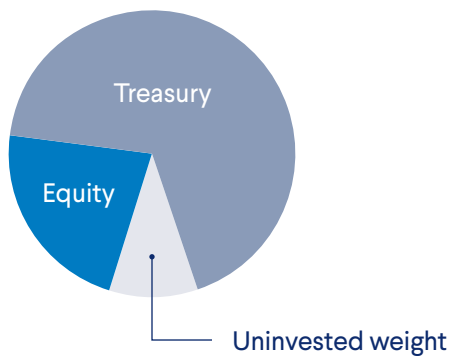
The Treasury component of the Index is an equally weighted portfolio of four Barclays U.S. Treasury futures indexes: 2 year, 5 year, 10 year and 30 year.

Constituents of the Treasury component

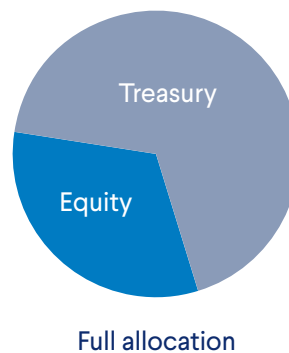
- Barclays U.S. 2-year Treasury Futures Index
- Barclays U.S. 5-year Treasury Futures Index
- Barclays U.S. 10-year Treasury Futures Index
- Barclays U.S. 30-year Treasury Futures Index



Equity + Treasury weight < 100%



Equity + Treasury weight = 100%



Hypothetical examples are provided for illustrative purposes only and may not reflect actual weights or allocations.

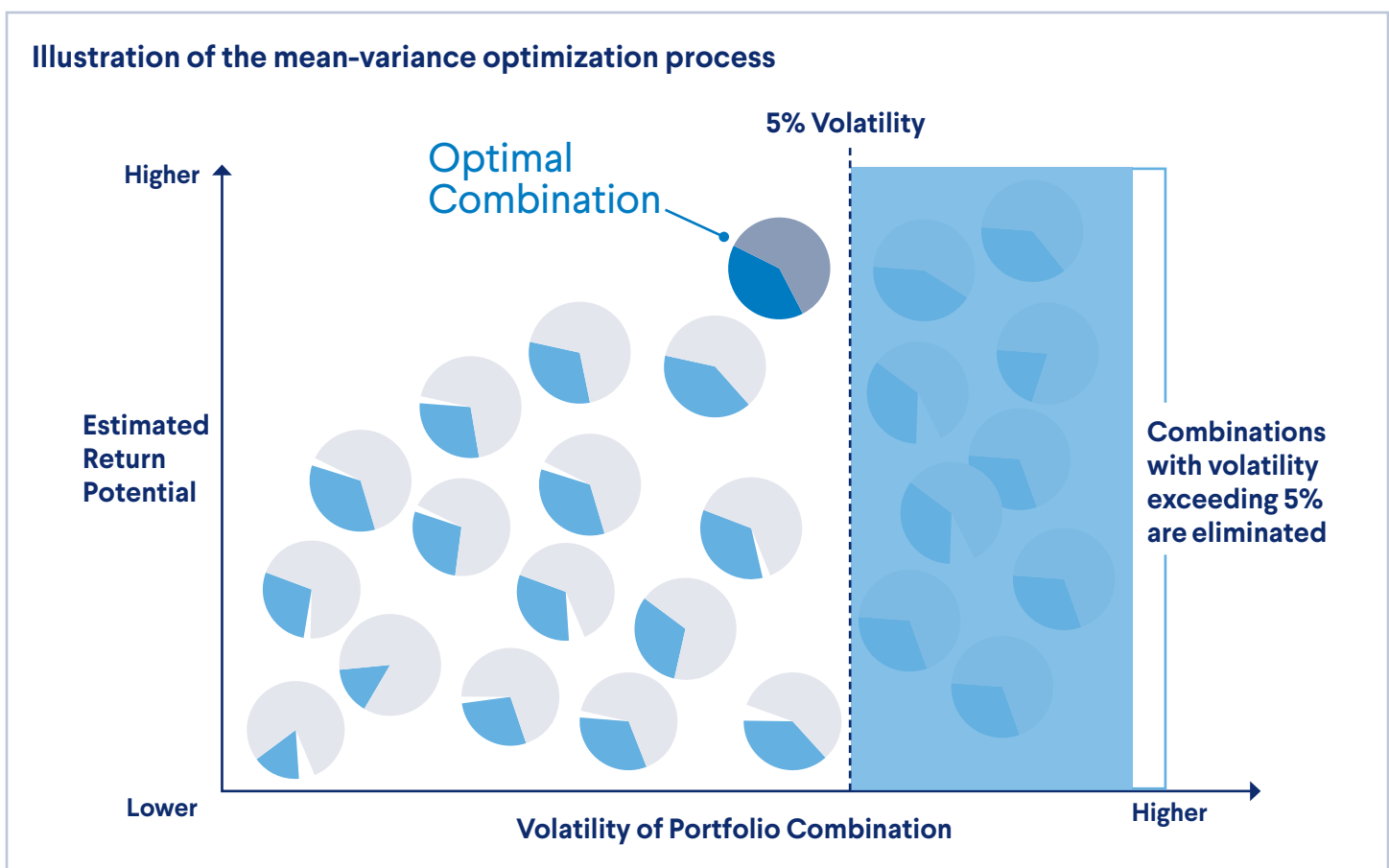
Finding the optimal combination

Each month, the Index runs a process called “mean-variance optimization,” which aims to determine the optimal weights to be allocated to the Equity component and the Treasury component.

The mean-variance optimization process is based on Harry Markowitz’s modern portfolio theory, which states that investors can maximize their expected return at any given risk level through diversification. For purposes of the Index, the process works as follows:

1. The process considers all combinations of the Equity component and the Treasury component, provided that the combined weight of these components does not exceed 100%.
2. The volatility of each combination is calculated, based on how volatile the two components have been and how they have moved relative to each other.
3. All the combinations with annual volatility exceeding 5% are eliminated.
4. The process selects the combination with the highest estimated return potential, based on the assumption that the risk-adjusted returns offered by the Equity component and the Treasury component will be comparable the following month.

This combination will be the index portfolio for the following month.⁴



Hypothetical examples are provided for illustrative purposes only and may not reflect actual weights or allocations.

⁴The sum of weights for the equity component and the Treasury component in the index portfolio may be less than or equal to 100%. The combined weight of these components may not exceed 100%.

5% volatility control

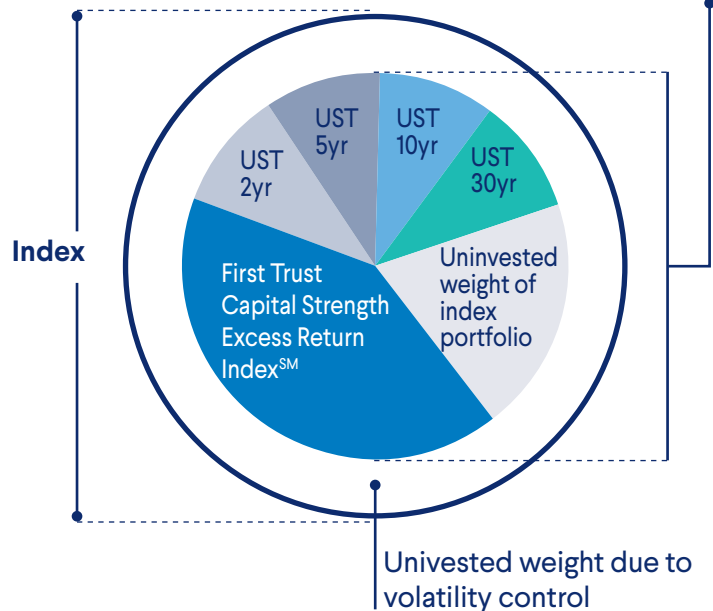
To further control risk, the Index applies an additional volatility control procedure that decreases or increases the Index's exposure to the index portfolio when necessary to maintain an annual volatility level at or below 5%.

To achieve this, a target exposure level to the index portfolio is calculated on a daily basis, by dividing the 5% upper volatility threshold using the recent volatility of the index portfolio,⁵ subject to a maximum level of 150%. As a result:

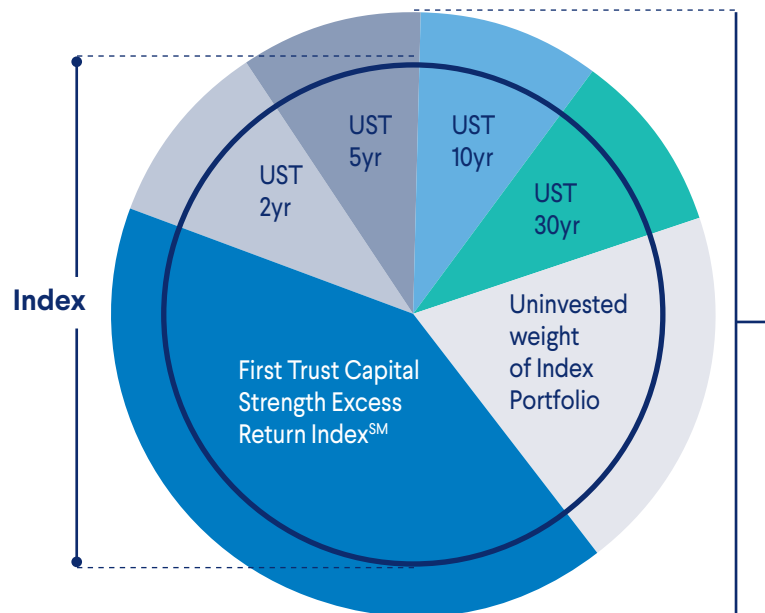
- If the recent volatility of the index portfolio exceeds 5%, the target exposure to the index portfolio will be less than 100%, and the residual weight will be uninvested.
- If the recent volatility of the index portfolio is below 5%, the target exposure to the index portfolio may exceed 100% and can be up to 150%.

If the target exposure level calculated on any trading day differs from the actual exposure level by 5 percentage points or more, the Index will adjust its actual exposure level to the index portfolio on the following trading day to match this target level. The purpose of adjusting the Index's exposure to the index portfolio is to maintain the level of risk below the upper threshold limit of 5% as the market environment changes.

Less than 100% exposure to the index portfolio



Up to 150% exposure to index portfolio



Hypothetical examples are provided for illustrative purposes only and may not reflect actual weights or allocations.

⁵For purposes of calculating index portfolio volatility in the volatility control procedure, the daily returns of the index portfolio are calculated as the weighted average of component daily returns using weights determined during the most recent monthly rebalance.

First Trust

At First Trust, their experience, history of innovation and diversity of offerings are all part of their mission and are the only way they know to become a trusted financial advisor. Because they consider each financial advisor and his or her customer integral to their business, and truly our most valuable investment, they are committed to their best interests. They provide exceptional resources that help advisors define goals, solve problems and develop long-term strategies to help their clients achieve their dreams and goals. They believe that this kind of leadership will provide the most fundamentally sound investment products and advisor support available in today's marketplace.

Risk Factors

The following is a summary of these fees and costs and certain risks associated with the Index. You should consider the following, consult with your financial professional, and read any product documentation carefully before investing in any financial product based on the performance of the Index.

The Index may produce negative returns if the U.S. equity market and/or the U.S. Treasury market have a negative performance.

The strategy reflected in the Index may be unsuccessful. The index methodology of the First Trust Capital Strength® Barclays 5% Index may not be successful in identifying undervalued stocks with long-term competitive advantage, and the equity component may underperform broad equity market benchmarks. In addition, the allocation between stocks and Treasury futures reflected in the Index at any time may not be optimized and may underperform a different allocation between the two asset classes.

Because the First Trust Capital Strength® Barclays 5% Index includes a limitation on the exposure to any given industry sector, the Index may limit exposure to stocks within a sector experiencing positive performance, which may result in the Index underperforming a similar strategy without this limitation.

The Index includes deductions for a fee of 0.5% per year, plus an additional cost equal to the three-month U.S. dollar LIBOR rate for equity component, and a fee of 0.5% per year for the Treasury component, which may be increased or decreased in the aggregate by the mean-variance optimization process and the volatility control mechanism. These deductions will reduce the Index's performance, and the Index will underperform similar portfolios from which these fees and costs are not deducted.

The volatility control mechanism included in the Index may not achieve its intended goal, and the Index may not be successful in maintaining its volatility at or below 5%.

The mean-variance optimization process and the volatility control mechanism will determine the Index's exposure to the equity component and Treasury component. If the Index's total exposure to the equity component and Treasury component is greater than 100%, any negative performance of the components may be magnified, and the level of the Index may decrease significantly. In addition, if the Index's total exposure to the equity component and Treasury component is less than 100%, the difference will be uninvested and will earn no return.

Barclays and First Trust

Neither Barclays Bank PLC (“BB PLC”) nor any of its affiliates (collectively ‘Barclays’) is the issuer or producer of Delaware Life fixed index annuities and Barclays has no responsibilities, obligations or duties to investors in Delaware Life fixed index annuities. The First Trust Capital Strength® Barclays 5% Index (the ‘Index’), together with any Barclays indices that are components of the Index, is a trademark owned by Barclays and, together with any component indices and index data, is licensed for use by Delaware Life Insurance Company as the issuer or producer of Delaware Life fixed index annuities (the ‘Issuer’).

Barclays’ only relationship with the Issuer in respect of the Index is the licensing of the Index, which is administered, compiled and published by BB PLC in its role as the index sponsor (the ‘Index Sponsor’) without regard to the Issuer or Delaware Life fixed index annuities or investors in Delaware Life fixed index annuities. Additionally, Delaware Life Insurance Company as issuer or producer of Delaware Life fixed index annuities may for itself execute transaction(s) with Barclays in or relating to the Index in connection with Delaware Life fixed index annuities. Investors acquire Delaware Life fixed index annuities from Delaware Life Insurance Company and investors neither acquire any interest in the Index nor enter into any relationship of any kind whatsoever with Barclays upon making an investment in Delaware Life fixed index annuities. Delaware Life fixed index annuities are not sponsored, endorsed, sold or promoted by Barclays and Barclays makes no representation regarding the advisability of Delaware Life fixed index annuities or use of the Index or any data included therein. Barclays shall not be liable in any way to the Issuer, investors or to other third parties in respect of the use or accuracy of the Index or any data included therein.

Barclays Index Administration (“BINDA”), a distinct function within BB PLC, is responsible for day-to-day governance of BB PLC’s activities as Index Sponsor.

To protect the integrity of Barclays’ indices, BB PLC has in place a control framework designed to identify and remove and/or mitigate (as appropriate) conflicts of interest. Within the control framework, BINDA has the following specific responsibilities:

- oversight of any third party index calculation agent;
- acting as approvals body for index lifecycle events (index launch, change and retirement); and
- resolving unforeseen index calculation issues where discretion or interpretation may be required (for example: upon the occurrence of market disruption events).

To promote the independence of BINDA, the function is operationally separate from BB PLC’s sales, trading and structuring desks, investment managers, and other business units that have, or may be perceived to have, interests that may conflict with the independence or integrity of Barclays’ indices.

Notwithstanding the foregoing, potential conflicts of interest exist as a consequence of BB PLC providing indices alongside its other businesses. Please note the following in relation to Barclays’ indices:

- BB PLC may act in multiple capacities with respect to a particular index including, but not limited to, functioning as index sponsor, index administrator, index owner and licensor.
- Sales, trading or structuring desks in BB PLC may launch products linked to the performance of a index. These products are typically hedged by BB PLC’s trading desks. In hedging an index, a trading desk may purchase or sell constituents of that index. These purchases or sales may affect the prices of the index constituents which could in turn affect the level of that index.
- BB PLC may establish investment funds that track an index or otherwise use an index for portfolio or asset allocation decisions.

The Index Sponsor is under no obligation to continue the administration, compilation and publication of the Index or the level of the Index. While the Index Sponsor currently employs the methodology ascribed to the Index (and application of such methodology shall be conclusive and binding), no assurance can be given that market, regulatory, juridical, financial, fiscal or other circumstances (including, but not limited to, any changes to or any suspension or termination of or any other events affecting any constituent within the Index) will not arise that would, in the view of the Index Sponsor, necessitate an adjustment, modification or change of such methodology. In certain circumstances, the Index Sponsor may suspend or terminate the Index. The Index Sponsor has appointed a third-party agent (the ‘Index Calculation Agent’) to calculate and maintain the Index. While the Index Sponsor is responsible for the operation of the Index, certain aspects have thus been outsourced to the Index Calculation Agent.

Barclays

- a. makes no representation or warranty, express or implied, to the Issuer or any member of the public regarding the advisability of investing in transactions generally or the ability of the Index to track the performance of any market or underlying assets or data; and
- b. has no obligation to take the needs of the Issuer into consideration in administering, compiling or publishing the Index.

Barclays has no obligation or liability in connection with administration, marketing or trading of Delaware Life fixed index annuities.

The licensing agreement between Delaware Life Insurance Company and BB PLC is solely for the benefit of Delaware Life Insurance Company and Barclays and not for the benefit of the owners of Delaware Life fixed index annuities, investors or other third parties.

BARCLAYS DOES NOT GUARANTEE, AND SHALL HAVE NO LIABILITY TO THE PURCHASERS AND TRADERS, AS THE CASE MAY BE, OF THE TRANSACTION OR TO THIRD PARTIES FOR THE QUALITY, ACCURACY AND/OR COMPLETENESS OF THE INDEX / OR ANY DATA INCLUDED THEREIN OR FOR INTERRUPTIONS IN THE DELIVERY OF THE INDEX. BARCLAYS MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR

PURPOSE OR USE WITH RESPECT TO THE INDEX INCLUDING, WITHOUT LIMITATION, THE INDICES, OR ANY DATA INCLUDED THEREIN. IN NO EVENT SHALL BARCLAYS HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, OR ANY LOST PROFITS, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES SAVE TO THE EXTENT THAT SUCH EXCLUSION OF LIABILITY IS PROHIBITED BY LAW.

None of the information supplied by Barclays and used in this publication may be reproduced in any manner without the prior written permission of Barclays Bank PLC. Barclays Bank PLC is registered in England No. 1026167. Registered office 1 Churchill Place London E14 5HP.

Bloomberg Index Services Limited is the official index calculation and maintenance agent of the Index, an index owned and administered by Barclays. Bloomberg Index Services Limited does not guarantee the timeliness, accurateness, or completeness of the Index calculations or any data or information relating to the Index. Bloomberg Index Services Limited makes no warranty, express or implied, as to the Index or any data or values relating thereto or results to be obtained therefrom, and expressly disclaims all warranties of merchantability and fitness for a particular purpose with respect thereto. To the maximum extent allowed by law, Bloomberg Index Services Limited, its affiliates, and all of their respective partners, employees, subcontractors, agents, suppliers and vendors (collectively, the “protected parties”) shall have no liability or responsibility, contingent or otherwise, for any injury or damages, whether caused by the negligence of a protected party or otherwise, arising in connection with the calculation of the Index or any data or values included therein or in connection therewith and shall not be liable for any lost profits, losses, punitive, incidental or consequential damages.

First Trust®, First Trust & Design®, and First Trust Capital Strength® (“Mark”) are registered trademarks of First Trust Portfolios LP (“First Trust”) and have been licensed for use by Delaware Life. The Capital Strength Excess Return IndexSM is a trademark of The NASDAQ OMX Group, Inc. (“NASDAQ”). [Please insert the name of the Delaware Life FIA product here] (“Product”) is not sponsored, endorsed, sold or promoted by First Trust or NASDAQ. **FIRST TRUST AND NASDAQ MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY DELAWARE LIFE, A PRODUCT ISSUER, THE INVESTORS IN THE PRODUCT, OWNERS OF THE PRODUCT, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE MARKS OR PRODUCT. FIRST TRUST AND NASDAQ EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OF THE PRODUCT.**

Delaware Life

In certain market scenarios, such as a rising equity market when volatility is high or increasing, reductions in positive performance of a volatility controlled Index could result in less interest being credited to an Index Account than if the volatility controlled Index did not use a volatility control strategy that can limit positive performance. Conversely, in a declining equity market, when volatility is high or increasing, reductions in negative performance of the volatility controlled Index could result in more interest being credited to an Index Account than if the volatility controlled Index did not use a volatility control strategy. However, in such a declining market, the benefit from the volatility control strategy would be limited by the floor to the Contract. In general, we incur less expense for the hedging transactions we use to mitigate our risk in providing Contract guarantees to you for a volatility controlled Index than for other Indexes in the Contract.

Guarantees are backed by the financial strength and claims-paying ability of Delaware Life Insurance Company (Waltham, MA). Policies and contracts are issued by Delaware Life Insurance Company. For use with policy forms ICC17-DLIC-FIA-17, DLIC-FIA-17, ICC14-DLIC-FIA-10_1, DLIC-FIA-10_1, ICC17-DLIC-FIA20-17, and DLIC-FIA20-17. Policy and rider form numbers may vary by state. Products, riders, and features may vary by state, and may not be available in all states. This material should be accompanied by the corresponding product brochure and may not be approved in all states. Ask your financial professional for more information.

Delaware Life Insurance Company (Waltham, MA) is authorized to transact business in all states (except New York), the District of Columbia, Puerto Rico, and the U.S. Virgin Islands and is a member of Group One Thousand One, LLC (Group 1001).

This communication is for informational purposes only. It is not intended to provide, and should not be interpreted as, individualized investment, legal, or tax advice. To obtain such advice, please consult with your investment, legal, or tax professional.

delawarelife.com

**NOT FDIC INSURED | MAY LOSE VALUE | NO BANK OR CREDIT UNION GUARANTEE
NOT A DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY OR NCUA/NCUSIF**